# Katrina Donaghy

is the CEO and Co-Founder of Civic Ledger



Inefficiencies and oversights in water management cost our World

\$300 billion every year.

# If that's not a market failure, what is?



What if we dared to be creative in doing so?

### (DON'T!) WASTE WASTER

The problems that we're solving are information asymmetry and opacity

(aka, the two first drivers of a market failure, by the book's definition. Are we onto something?) To understand the solution Katrina hints at, we'll have to return Down Under to Australia's Water Trading markets.

When water goes scarce, water markets are an essential management mechanism. Yet:

When water markets are not optimized, water is not optimized. So it's not going to its highest value use. As a result, water sits there and evaporates!

> here are many reasons why markets are not optimized - as we've explored with Scott Hamilton by S4E6.

WASTE

#### They're scattered, heavily financialized, and highly

opaque. But that may soon be history:

With blockchain technology, the participants own the infrastructure on which we build our water markets. Individuals will own the water markets, and they'll own the data. .. and water will be tokenized.

## Like an NFT

I see your eyes rolling! But hold on.

Technology here is only a vehicle.



The irrigators living in those markets had a problem, and they couldn't care less about how it would be solved, as long as it really would be solved.

BUN

(DON'T!)

WASTE

This is how, developing and iterating hand in hand with market users, Civic Ledger rolled out a test version of its Water Ledger solution from 2020 on, intending to go full scale later this year.

You go to a crypto exchange; you see an

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order book, a dashboard, the state of the markets, a history, and an audit log!"

That is actually the first brick in the wall, but there's more:

Water markets are just the first layer we do. We have to interoperate the market with the delivery infrastructure and agricultural supply chains! That drafts a clear roadmap: building an open-source ecosystem where other players could join in and create a network effect.



#### And that might actually take us quite far from Australia:

Our vision is that all water markets across the planet will be built on our blockchain technology. Everybody will own it, and we'll always know the actual state of how much water we have on this planet and how much we're using!

### What if that was a \$300 billion opportunity?

#### We also covered:

- How Katrina's Bitcoin encounter was a serendipitous moment
- How you can't go 100% blockchain from the get-go and how Civic Ledger splits smart contracts into two



- How integrating water markets with blockchain finally brings 23 markets together with a common real-time source of truth
- How water is non-fungible because of its heavy and hard-to-transport long-distance nature
- How the next frontier would be to couple blockchain trading with a hydrologic digital twin (and why)
- How ironic it is to blame blockchain's energy consumption while altogether avoiding the point with gold and physical money
- Interlinking with mineral flows and ESG investment, Competing with centralized trading in this new ESG realm, Working with the World Economic Forum, developing patent NFTs... and much more!

### Don't miss a single bite: head over to dww.show!

